

# VEDDER PRICE

DIANA M. SCHOENDORFF  
312-609-7859  
dschoendorff@vedderprice.com

VEDDER, PRICE, KAUFMAN & KAMMHOLZ, P.C.  
222 NORTH LASALLE STREET  
CHICAGO, ILLINOIS 60601  
312-609-7500  
FACSIMILE: 312-609-5005

OFFICES IN CHICAGO, NEW YORK CITY, AND LIVINGSTON, NEW JERSEY

September 29, 2003

## VIA FEDERAL EXPRESS

Surface Transportation Board  
Attention: Ms. Barbara Saddler  
1925 K Street, NW, Suite 714  
Washington, DC 20006

RECORDATION NO. 20174-R

FILED

SEP 30 '03

3-27 PM

SURFACE TRANSPORTATION BOARD



Re: Rail Logistics Services, Inc.

Dear Ms. Sadler:

Enclosed herewith for recording with the Surface Transportation Board (the "Board") pursuant to Section 11301 of Title 49 of the U.S. Code, under recordation number 20174, are original, fully executed and notarized documents in connection with that certain Amended and Restated Security Agreement dated as of May 29, 2001 (as amended from time to time, the "Security Agreement") between Rail Logistics Services, Inc., as the debtor (the "Debtor"), and LaSalle Bank National Association, formerly known as LaSalle National Bank, as the secured party (the "Secured Party"), which amended and restated that certain primary document titled "Security Agreement" dated as of June 26, 1996 (the "Original Security Agreement") between Debtor and Secured Party, as described below:

(i) a Second Amendment to Amended and Restated Security Agreement dated as of August 26, 2003 ("Second Amendment"), which amends Schedule A to the Security Agreement to add additional collateral thereto the lease of certain locomotives, four (4) identified as Type GP-39-2, (the "Additional Locomotives") and to release collateral thereto, two (2) identified as EMD GP16 (the "Released Collateral"); and

(ii) a Second Amendment dated as of August 26, 2003, (the "Lease Amendment") to Amended and Restated Master Collateral Assignment of Leases dated as of May 29, 2001 ("Lease Assignment"), which amends Schedule 1 to the Lease Assignment to pledge the lease of the Additional Locomotives and release the lease of the Released Collateral as collateral security and release.

The names and addresses of the parties to the Second Amendment and the Lease Amendment are as follows: the Debtor is Rail Logistics Services, Inc., a Delaware corporation whose principal place of business is located at 53 West Jackson Boulevard, Suite 335, Chicago,

VEDDERPRICE

Surface Transportation Board  
September 29, 2003  
Page 2

Illinois 60604; the Secured Party is LaSalle Bank National Association, formerly known as LaSalle National Bank, a national banking association whose principal place of business is located at 135 South LaSalle Street, Chicago, Illinois 60603.

A short summary for each document to appear in the index is as follows:

A Second Amendment to Amended and Restated Security Agreement, dated as of August 26, 2003 between Rail Logistics Services, Inc., as the debtor, and LaSalle Bank National Association, formerly known as LaSalle National Bank, as the secured party, amending Secured Party's security interest and lien to include the Additional Locomotives and release the Released Collateral.

A Second Amendment dated as of August 26, 2003 to Amended and Restated Master Collateral Assignment of Lease dated as of May 29, 2001 between Rail Logistics Services, Inc., as the debtor, and LaSalle Bank National Association, formerly known as LaSalle National Bank, as the secured party, amending the leases pledged as collateral to include the lease of the Additional Locomotives and the release of the Released Collateral.

Enclosed is a check in the amount of \$60.00 payable to the Surface Transportation Board to cover the recording fee prescribed by the Board in its rules and regulations.

Please acknowledge receipt of the enclosed documents by stamping and returning to me the enclosed copy of this letter together with each of (i) the original Second Amendment to Amended and Restated Security Agreement and (ii) the original Second Amendment to Amended and Restated Master Collateral Assignment of Leases, each as filed. I have also enclosed a self-addressed pre-paid federal express envelope for your convenience.

Should you have any questions concerning the enclosed, please feel free to contact me at (312) 609-7859.

Very truly yours,



Diana M. Schoendorff  
Legal Assistant

DMS/DMS  
Enclosures

cc: John T. McEnroe, Esq.  
Allen J. Gable, Esq.

SEP 10 03

3-27 PM

**SECOND AMENDMENT TO  
AMENDED AND RESTATED SECURITY AGREEMENT**

SURFACE TRANSPORTATION BOARD

This SECOND AMENDMENT TO AMENDED AND RESTATED SECURITY AGREEMENT ("Second Amendment"), dated as of August 26, 2003, is made by and between RAIL LOGISTICS SERVICES, INC., a Delaware corporation having its principal place of business at 53 West Jackson Boulevard, Chicago, Illinois 60604 ("Borrower"), and LASALLE BANK NATIONAL ASSOCIATION, a national banking association with its principal place of business at 135 South LaSalle Street, Chicago, Illinois 60603 ("Bank").

WHEREAS, Borrower and Bank entered into a certain Amended and Restated Security Agreement dated May 29, 2001, as amended by that certain First Amendment to Amended and Restated Security Agreement dated as of November 26, 2002 (collectively, as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"); and

WHEREAS, Borrower and Bank desire to amend certain provisions of the Security Agreement.

NOW THEREFORE, the parties agree as follows:

1. Definitions. Capitalized terms used herein without definitions shall have the meanings contained in the Security Agreement.

2. Amended Definitions. The last sentence of the first paragraph of the Security Agreement is hereby deleted and the following is inserted in its stead:

"Capitalized terms used but not defined herein shall have the meanings assigned to them in that certain Eighth Amended and Restated Promissory Note dated as of August 26, 2003, executed by Borrower for the benefit of Bank (said Eighth Amended and Restated Promissory Note, as the same may be amended or restated from time to time, is hereinafter referred to either as the "Note" or the "Loan Agreement")."

3. Additional Collateral. The following are added to Schedule A to the Security Agreement:

Model No. GM-EMD, Unit Number 2371 (Type GP-39-2)  
Model No. GM-EMD, Unit Number 2375 (Type GP-39-2)  
Model No. GM-EMD, Unit Number 2376 (Type GP-39-2)  
Model No. GM-EMD, Unit Number 2378 (Type GP-39-2)

4. Released Collateral. Upon receipt of cash in the amount of \$99,402 from Borrower, Bank agrees to delete the following from Schedule A to the Security Agreement:

EMD GP16, Road Number 1607  
EMD GP16, Road Number 1609

5. Continuing Effect. Except as otherwise explicitly provided for herein, the terms and provisions of the Security Agreement remain in full force and effect.

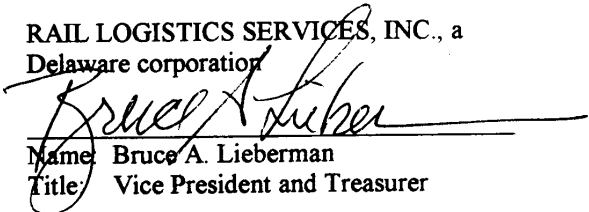
5. Counterparts. This Second Amendment to Security Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

*(Signature Page to Second Amendment to Amended and Restated Security Agreement)*

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

RAIL LOGISTICS SERVICES, INC., a  
Delaware corporation

  
Name: Bruce A. Lieberman  
Title: Vice President and Treasurer

LASALLE BANK NATIONAL  
ASSOCIATION, a national banking  
association

\_\_\_\_\_  
Name: Craig Schuth  
Title: Corporate Banking Officer

***(Signature Page to Second Amendment to Amended and Restated Security Agreement)***

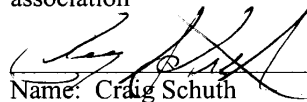
IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

RAIL LOGISTICS SERVICES, INC., a  
Delaware corporation

---

Name: Bruce A. Lieberman  
Title: Vice President and Treasurer

LASALLE BANK NATIONAL  
ASSOCIATION, a national banking  
association

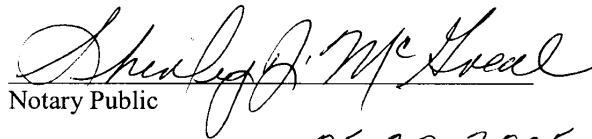


---

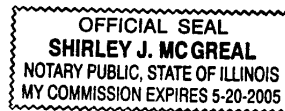
Name: Craig Schuth  
Title: Corporate Banking Officer

STATE OF ILLINOIS       )  
  )  
  )       ss.  
COUNTY OF COOK       )

On this 26 day of August, 2003, before me personally appeared Craig Schuth, to me personally known, who, being by me duly sworn, says that he is a Corporate Banking Officer of LaSalle Bank National Association, a national banking association, and is duly authorized to sign the foregoing instrument on behalf of said banking association, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said banking association.

  
Notary Public

My commission expires 05.20.2005

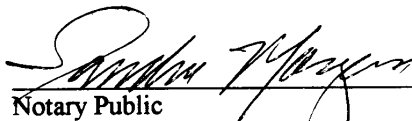


STATE OF New York )

) SS.

COUNTY OF New York )

On this 22ND day of August, 2003, before me personally appeared Bruce A. Lieberman, to me personally known, who, being by me duly sworn, says that he is the Vice President and Treasurer of Rail Logistics Services, Inc., a Delaware corporation, and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

  
Notary Public

BANDRA MORGAN  
Notary Public, State of New York  
No. 34-4713771  
Qualified in Kings County  
Commission Expires

My commission expires: 01-31-2007



**Schedule A - Rolling Stock**

PHL Unit 9378  
PHL Unit 9381  
PHL Unit 9363  
PHL Unit 9358  
PHL Unit 9326

Model No. 6628 (Type SD-18)  
Model No. 6637 (Type SD-18)

HBC Unit 101

Model No. 6632 (Type SD-18)  
Model No. 6636 (Type SD-18)

SD-20-2 locomotive (OHCR 2401)

EMD SW1200, Road Number 9321  
EMD SW1200, Road Number 9373

EMD GP-10 LIRC 201 (a/k/a NY 201 formerly OHCR 7589)

EMD GP16, Road Number 1608  
EMD GP16, Road Number 1610  
EMD GP38-2, Road Number 220  
EMD GP38-2, Road Number 221  
EMD GP38-2, Road Number 223

Model No. IC 8716 (GP 11)  
Model No. IC 8721 (GP 11)  
Model No. IC 8745 (GP 11)

Model No. DRGW 5412 (a/k/a SP 5412) (Type SD-40-2)  
Model No. SP8550 (Type SD-40-2)  
Model No. UP 426B (a/k/a IC 2006 and TCWR 601) (Type SD-20)

EMD GP39-2, Unit Number 2371  
EMD GP39-2, Unit Number 2375  
EMD GP39-2, Unit Number 2376  
EMD GP39-2, Unit Number 2378